

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Joint Application of Verizon Communications Inc. ("Verizon") and MCI, Inc. ("MCI") to Transfer Control of MCI's California Utility Subsidiaries to Verizon, Which Will Occur Indirectly as a Result of the Verizon's Acquisition of MCI.

Application 05-04-020
(Filed April 21, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING SCHEDULING
PREHEARING CONFERENCE ON JUNE 21, 2005**

This ruling schedules a prehearing conference (PHC) in reference to Application (A.) 05-02-027, filed by Verizon Communications Inc. (Verizon) and MCI, Inc. (MCI) (collectively, Applicants). The Applicants seek authorization to transfer control of MCI's California utility subsidiaries to Verizon, which will occur indirectly as a result of Verizon's acquisition of MCI.

Applicants have provided information they believe necessary and appropriate to demonstrate compliance with all of the provisions of Pub. Util. Code §§ 854(b) and (c), although Applicants assert that they are exempt from §§ 854(b) and (c). For the time being, parties are to assume that all requirements of §§ 854(b) and (c) will be considered in this proceeding. The Assigned Commissioner will rule on the applicability of these statutory provisions at a later time.

The PHC in this matter will be conducted beginning at 1:30 p.m., Tuesday, June 21, 2005, in the Commission Hearing Room in San Francisco.

At the PHC, parties intending to participate in this proceeding shall identify themselves and indicate their interest in the proceeding. Interested parties, including protestants, should be prepared to address what further proceedings, if any, they believe are warranted to create a sufficient record upon which the Commission can render its decision in this application.

Parties should be prepared to present and justify their proposals for the schedule to complete this proceeding, and to address any other procedural issues, including discovery matters. Following the conclusion of the PHC, a scoping memo shall be issued, defining the scope of issues and setting the procedural schedule for this application.

Specifically, parties should be prepared to comment on the following subjects:

- Should Public Participation Hearings (PPHs) be scheduled? If so, in what locations should they be conducted? Can PPHs be scheduled in July and August 2005 in sufficient time for Applicants to prepare bill insert announcements?
- If evidentiary hearings are deemed necessary in this proceeding, can hearings be scheduled in late October or early November without causing conflict with other pending telecommunications proceedings?
- Should the Commission consider an expedited discovery procedure for this proceeding, with, for example, electronic service of discovery motions, followed by electronic responses to such motions within three business days.

A service list for this proceeding will be established at the PHC. Meanwhile, this ruling is being served by mail and electronically on all parties in the service list for A.05-02-027, the merger application of SBC Communications Inc. and AT&T Corp.

IT IS RULED that a prehearing conference in this application will be conducted at 1:30 p.m., on June 21, 2005, in the Commission's Hearing Room, State Office Building, 505 Van Ness Avenue, San Francisco, California. Interested parties shall be prepared to discuss pertinent procedural issues, as outlined above.

Dated June 6, 2005, at San Francisco, California.

/s/ GLEN WALKER

Glen Walker

Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties for whom an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Scheduling Prehearing Conference on June 21, 2005 on all parties of record in this proceeding or their attorneys of record.

Dated June 6, 2005, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at (415) 703-2074,

A.05-04-020 GEW/sid

TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.